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## POSITIVELY WELLINGTON BUSINESS ANNUAL REPORT 2004/05 REVIEW

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### 1. Introduction

Positively Wellington Business (PWB) has submitted its audited annual report for the year to 30 June 2005.

### 2. Performance

#### *a Financial results*

##### (i) Against targets

#### Statement of Financial Performance

<i>\$'000</i>	FY Actual	FY Budget	2003/04 Actual
Income	5,247	5,121	4,290
Expenditure	5,135	5,120	4,278
Operating surplus	112	1	13
Operating margin	-	-	-
Return on equity	-	-	-

The income since 2003-2004 has increased by almost \$1m and this is due mainly to the funding received from New Zealand Trade and Enterprise for the Wellington Regional Strategy. There was an increase in the level of operating funding provided by the Council for the migrant attraction.

#### Statement of Financial Position

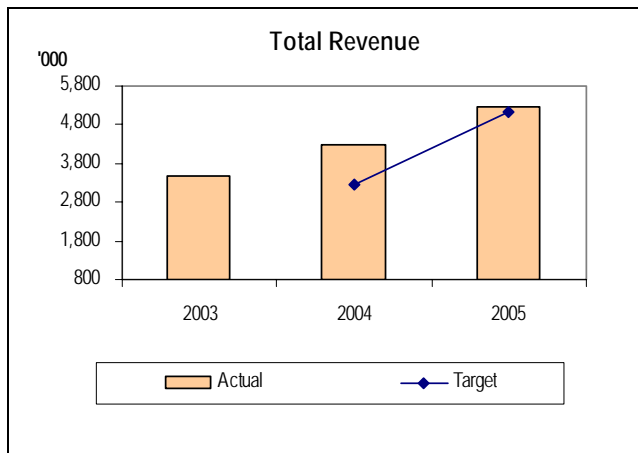
<i>\$'000</i>	FY Actual	2003/04 Actual
Current assets	1,243	697
Non-current assets	203	142
Current liabilities	1016	520
Non-current liabilities	210	210
Equity	220	107
Current ratio	1.2:1	1.3:1
Equity ratio	15%	13%

## Statement of Cash Flows

\$'000	FY Actual	2003/04 Actual
Operating	408	306
Investing	(134)	(36)
Financing	(1)	(9)
Net	274	260
Closing balance	830	556

The increase in cash between years relates mostly to income in advance received from New Zealand Trade and Enterprise for Creative HQ and Fashion HQ.

### (ii) Trends



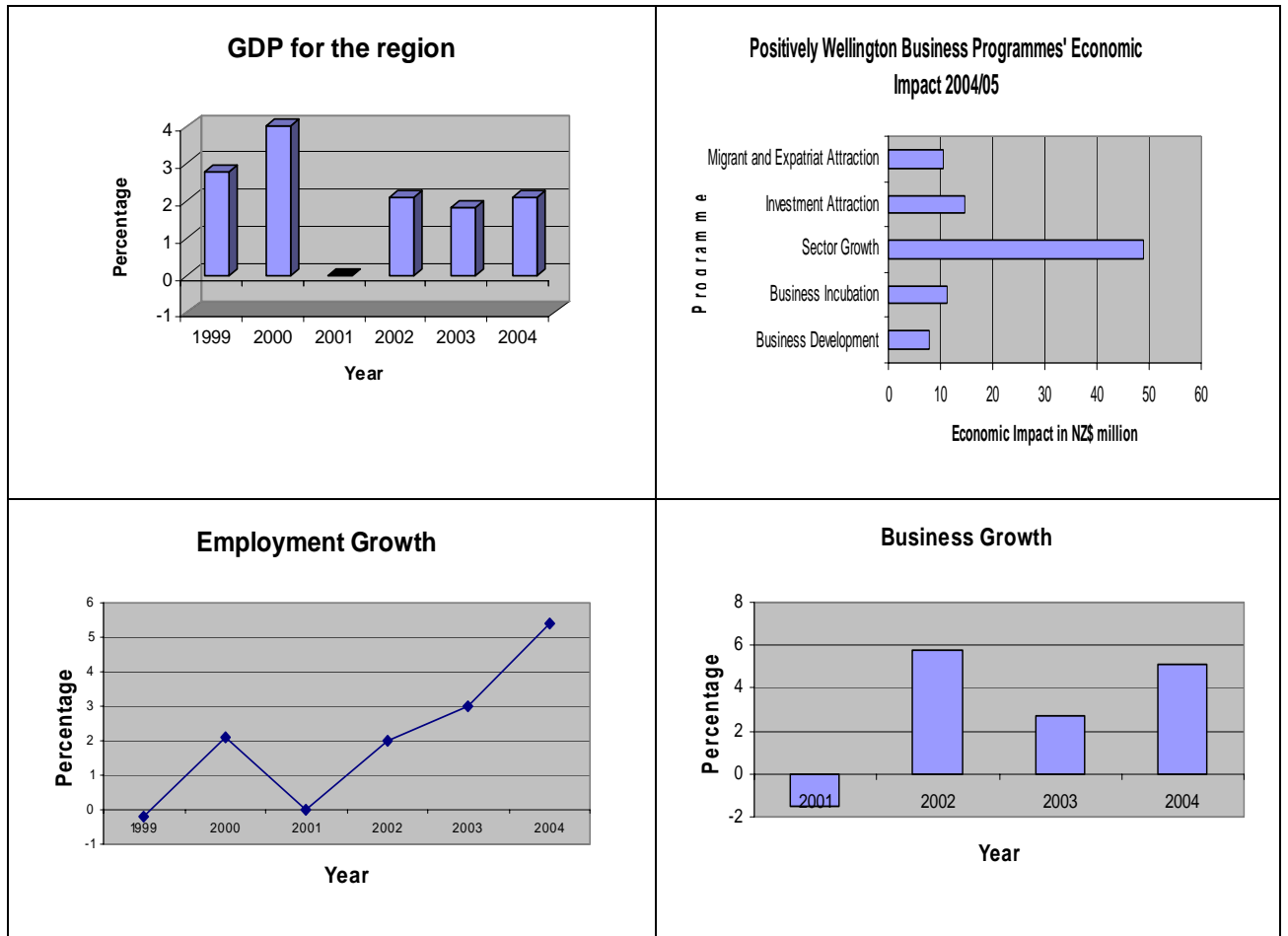
## b KPIs

### (i) Against targets

Measure	2004/05 Target	2004/05 Actual	Comment
Work within approved budget	-	-	Achieved
Work within strategic plan/Sol	-	-	Achieved
Regional annual economic growth (GDP) by targeted sector:			
Education	Positive Growth within each sector	0.4%	Mostly Achieved
ICT		0.9%	
Professional Engineering		2.5%	
Creative and Film		1.9%	
Manufacturing		-0.1%	
Biotechnology		n/a	
Regional annual economic growth (GDP) by targeted sector:			
Education	Positive Growth within each sector	6%	Mostly Achieved
ICT		4%	
Professional Engineering		5%	
Creative and Film		7%	
Manufacturing		2%	
Biotechnology		n/a	
Regional annual economic growth	Positive		Mostly Achieved

Measure	2004/05 Target	2004/05 Actual	Comment
(GDP) by targeted sector: Education ICT Professional Engineering Creative and Film Manufacturing Biotechnology	Growth within each sector	2% -1% 5% 4% 1% n/a	

**(ii) Trends**



Source: Statistics NZ; Infometrics.

**c Significant changes**

**(i) In activities**

There were no major changes in the activities undertaken by PWB. Kapiti Coast District Council was welcomed as the newest partner. The focus for 2004-2005 has been the involvement in the Wellington Regional Strategy framework.

**(ii) Other – governance**

Murray Bain was welcomed to the Board during the financial year to replace Stuart McCutcheon who stepped down. The new Council triennium saw the replacement of Councillor Celia Wade-Brown with Councillor John Morrison.

### **3. Discussion**

***a Key items from the year***

**REGIONAL STRATEGY:** PWB will continue to be integral to the Wellington Regional Strategy. There is a strong emphasis to ensure the regional partners work collaboratively.

**MAJOR REGIONAL INITIATIVE:** PWB secured the \$2m New Zealand Trade and Enterprise MRI funding for the Camperdown Studio project, New Zealand's first international sound stage film-making facility.

***b Issues for consideration***

Council officers are considering the following questions that arise from the current activities:

- As the Wellington Regional Strategy is further developed and implemented PWB will need to review its strategic direction, activities and service delivery.
- PWB has been successful with MRI funding and should continue to focus on future funding opportunities that link to development opportunities for the region.

### **4. Conclusion**

***a Summary of analysis***

PWB has undergone a year of consolidation and in the process has contributed to major projects, such as the Camperdown Studios Sound Stage. Throughout the year there has been a proactive approach to achieving additional grant funding. Strong relationships both with regional partners and government agencies have been a major focus of the Board and management.

***b Looking forward***

The Wellington Regional Strategy will become the platform for future economic development policies for the region. PWB is currently undergoing a restructure to ensure it is “match fit” to deliver on the priorities set out within the Wellington Regional Strategy.

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